

# Medical Insurance Benefit Policy

POL 8/2017

Version 2/2020

<b>Relevant Legislation</b>	Ministry of Economy Circular 01/2020
<b>Commencement Date</b>	1 August 2017 (Revised 28 May 2020)
<b>Review Date</b>	May 2023

## POLICY STATEMENT

### 1 Intent

The Fijian Government through the Ministry of Economy has initiated the Public Service Group Health Insurance Benefit (HIB) Scheme which has heavily discounted insurance premiums for established staffs and Government Wage Earners (GWEs). Members join this Scheme voluntarily and pay their own premiums.

This benefit would be provided subject to availability of budget

The Office of the Auditor General (OAG), in line with its strategic theme to provide conducive/ideal workplace for staff is providing Medical Insurance Benefit (MIB) scheme as an incentive to all staffs and their families. This will ensure that OAG is offering a competitive remuneration package which results in staff retention in the public sector.

### 2 Medical Insurance Cover for OAG Staffs

The office has paid the insurance premiums for Medical Insurance Benefit (MIB) for staffs with effect from 1st August 2017 however due to subsequent increase in premiums and on the outcome of a staff consultation & survey (2019), all employees of OAG will share subsequent premium increase. The Office will pay the initial medical premiums quoted at the commencement of the scheme, which is \$1043 per employee hence, would not be subject to salary adjustments or increase upon renewal of contracts and post Job Evaluation Exercise from March 2018. This benefit will be exempt from Fringe Benefit Tax. Insurance premiums will be paid at the initial agreed sum of \$1043, where staff have options to opt for plan 3 & 4 and plan 3 been the compulsory plan.

### 3 Objectives

- The primary objective of MIB is to provide incentives to staffs and Management to remain and serve in the public service.
- Secondary objectives are to bridge the gap in remuneration provided by the private sector and the public sector hence slowing down the drift of qualified/skilled civil servants to the private sector.

#### 4 Definitions and Acronyms

Define terms used in the policy and explain any acronyms, for example:

**Policy Maker** Auditor General

**Management** Approval of Executive Management Committee

#### 5 Policy Maker

Auditor-General

#### 6 Supporting Documents/References

Ministry of Economy Circular

Policy Development Framework

OAG Policies

#### 7 Key Words

Medical Insurance Benefit

Medical Reimbursement

Overseas Evacuation

#### 8 Supporting Procedures/Guidelines

The guidelines to the policy are attached as Annexure I to this policy. This information will provide the background to the development of the policy should Officers need clarification.

RESPONSIBILITIES	
<b>Implementation</b>	The Corporate Services are responsible for implementing the policy.
<b>Compliance</b>	The applicant is responsible for complying with the policy.
<b>Monitoring and Evaluation</b>	The Corporate Services are responsible for monitoring and evaluating the policy.
<b>Development and/or Review</b>	The Corporate Services division will be responsible for developing and/or reviewing the policy.
<b>Interpretation and Advice</b>	The Deputy Auditor-General is responsible for interpreting and advising on the policy.

## ANNEXURE 1

### Definitions

The OAG Medical Insurance Benefit is applicable to staff effective 1st August 2017. Important notes are clarified below:

#### 1 MIB Overview

The PSC Group Insurance Scheme was introduced in 1998 after the cabinet approval, providing opportunities to all government employees whereby user pays premium. The renewal is on an annual basis. The insurance provider is Fiji Care Insurance Limited via Marsh Limited (Broker). The Group Insurance Scheme has 'Term life cover' and 'medical cover'.

As a government initiative, the Office of the Auditor General is opting for Medical Scheme as a benefit for its employees (Good health in Workforce) as a means to support the medical service/treatment for all employees. These include overseas evacuation, local hospitalization, and outpatient cover.

The OAG staff have the opportunity to adopt to both the Evacuation (Hospitalization) and Outpatient (Bulk Billing) plan with a limit of \$1043.00 per Fiji Care Insurance anniversary plan.

For those staff intending to cease payment of medical insurance shall request through formally. This will be approved on a case by case basis. Under such circumstances, the Officer will forfeit the benefit scheme and the premium of \$1,043 as payable by the Office and the total remuneration shall remain unchanged. The officer can re-join the scheme only upon renewal of contract of service to take advantage of the medical insurance benefit.

Additionally, following Executive Management Meeting in May 2020, it was agreed that for single staff, if staff choose for these providers outside, the Office may pay \$500 for the premium and the total remuneration shall remain unchanged. The status quo remains for married staff.

#### **Plan 3: Private Hospitalization & Evacuation (Preferred Hospitals in New Zealand/Australia & India)**

- Local Hospitalization and Daycare surgery at Private Hospital – Limit of \$15,000 per disability.
- Overseas Evacuation to New Zealand/Australia/India - \$200,000 per disability (Full arrangements by Fiji Care Insurance).
- Kidney Transplant (India) – Limit of \$100,000 per disability.
- Dialysis (Local Private/Overseas) – Limit of \$20,000 per disability.

#### **Additional Provisions**

- Evacuations at own arrangement and choice of Hospital/Country other than New Zealand/Australia/India – Limit of \$40,000
- Funeral Benefit to main Applicant & Spouse only - \$1,500 per person

#### **Repatriation of Body & Funeral Benefits**

- In the event of the death of an Insured overseas under the provisions of this benefits, Fiji Care Insurance will provide reimbursement for

costs of embalming, coffin, transportation, or a contribution towards overseas funeral cost - To a maximum of \$6,000.

**Note:**

The benefits described in the above Plan will not be paid unless prior approval has been taken from Fiji Care.

**Plan 4: Outpatient (Bulk Billing)**

- Coverage for consultation and medication ONLY as per drug list; (Medical card to be utilized)
- Excess fee will be applicable - \$3.00 per visit to network doctor; \$5:00 per visit to network pharmacy  
Maximum Limit for outpatient care - \$750 per family or single cover
- Medications as per drug list will be applicable; cost for prescribed (Rx) medications in relation to long term conditions (Asthma/Hypertension/Diabetes) are not covered.

**Plan 4 (a) – Diagnostic Procedures (\$390 per annum)**

- Diagnostic procedures will be covered subject to referrals only.

**Note: Fiji Care now has provision for “Diagnostic procedure” whereby a laboratory test, x-rays, scan or other procedure which does not require overseas inpatient (Hospitalization) and which is required to investigate subsequently diagnosed illness.**

**Important Note:**

- As per the Ministry of Economy Circular 01/2020 new medical cards will be provided to all members who will be covered under Plan 3 (Private Hospitalization and Plan 4 (Outpatient).
- Treatment/procedures requiring local or overseas evacuation must be accompanied and recommended by the registered medical practitioner. (Fiji Care network Medical Practitioners List attached in appendix).
- The network of doctors for Fiji Care Insurance Limited must be utilized through the medical cards provided for \$3.00 per visit for basic consultancy and \$5.00 per visit to network pharmacy for medication purposes. Further treatment recommended or referrals should be immediately notified to the insurer.
- Medical claims must be lodged within 30 days from the date of receipt for reimbursement. Original (Hardcopy) receipts must be submitted for assessment and payment, (Fiscal receipts are preferred to have official stamp and patients name specified).
- Cost for medications in relation to long term condition including Asthma, Hypertension and Diabetes are NOT covered under outpatient and will not be reimbursed.

**Who's covered?**

- The MIB will cover nuclear family, i.e. it will cover staff, including spouse with kids (below 19 years), excluding parents.
- Policy holder and the legal spouse of the Insured, other than a legally separated spouse.

- An Insured's unmarried or legally adopted child whose age ranges between fourteen (14) days and under nineteen (19) years and who is totally dependent on the Insured for support.
- An Insured's unmarried child or legally adopted child over the age of nineteen (19) years and under the age of twenty five (25) years if attending full time college or university and who is totally dependent on the Applicant for support.

### **Terms and Condition as per Fiji Care policy**

- Existing members - Waiting period of up to 12 months applicable;
- New members - Pre-existing conditions will NOT be covered.
- No midterm upgrade will be accepted by Fiji Care Insurance.
- Insured person attaining 65 years will not be covered.
- Dependents attaining 19 years will not be covered. Children between 19 – 24 years will only be considered upon providing written confirmation from the respective institute stating that they are full time students as Proof of Education.
- Payment of premium must be made in any event within 31 days of commencement of cover or policy will be cancelled without further notice.
- Fiji Care Insurance Ltd will no longer allow mid-term upgrades for Medical and Term Life.
- Insured members with excess on their respective medical conditions, this will remain.

### **Major Exclusions under Hospitalization Plan**

- All Congenital conditions, deformities and abnormalities
- Palliative treatment.
- All conditions related to HIV.
- All conditions related to sexually transmitted diseases.
- Any sickness or illness which occurs while traveling outside the geographical limits of Fiji.
- Pre-existing condition not covered.
- Treatment for self-inflicted injury whilst sane or insane, attempted suicide or injuries resulting from excessive consumption of alcohol or drugs.
- Psychiatric treatment
- Pregnancy, miscarriage or abortion unless unexpected life threatening
- A defacto spouse is not covered, unless disclosed and approved as a dependent to be covered by Fiji Care Insurance.

### **Major Exclusions under Outpatient Plan**

- Confirmed long-term disorders such as Asthma, Hypertension or Diabetes, vitamins and dietary supplements.
- Over the Counter Drugs.
- X-rays and blood tests.
- Prescriptions & pharmaceutical benefits for confirmed long term conditions including Asthma, Diabetes & Hypertension.

## **2 Process**

Staff may apply for Medical Insurance Benefit by filling out the application form and submitting the required documents to HR. The completed forms will then be sent to Fiji Care and a copy will be sent to Accounts to facilitate payment of premium.

It is the responsibility of the staff to submit the completed forms with details of insured before the inclusion in the MIB scheme.

### **3 Expected Outcomes**

The following are the expected outcomes from implementation of the MIB scheme:

- Reduction in number of staffs leaving OAG to join the private sector;
- High staff morale and improved productivity leading to high quality outputs; and
- Reduction in absence due to sick leave.

### **4 Payment of MIB**

Management and staffs would be required to complete the application form and submit the required documentation. Once approval has been given, Office will directly pay the insurance provider for all the officers on a fortnightly basis.

At the end of each financial year, the value of the MIB paid for each staffs would be provided to Ministry of Economy for inclusion in the P4-1 slips. This benefit would be provided to staff that join the OAG and would cease upon the staff leaving employment.

### **Maintenance of Cover (Fiji Care Insurance Policy Clause 3.29)**

If an insured member is covered under a group scheme and the group decides to terminate the scheme or let it lapse or an individual is no longer employed by the group policyholder, the insured individual will be permitted to maintain cover subject to FijiCare's Underwriting criteria. He/she have to notify Fiji Care Insurance within 14 days of such termination, lapse or cessation of employment.

### **5 Upgrade to Plan 5**

Through OAG, staff can take advantage of Plan 3 and Plan 4 under the Public Service Group Health Insurance Scheme (PSCHIS) however, staff may pay additional premium should they wish to request for upgrade to include optical, dental and maternity through salary deductions. This is a reimbursement plan whereby staff will pay upfront and can apply for reimbursement by filling in the reimbursement form. The cost will be reimbursed according to the plan. Refer to appendix for premium for Plan 5.

### **6 Medical Claim**

The OAG staff can apply to reimburse cost incurred by filling out the Fiji Care Insurance reimbursement form subjected to prior approval from Fiji Care Insurance.

In addition, staff utilizing outpatient service, can benefit from using the card when paying for outpatient service.

## 9 Monitoring

The Senior Administrative Officer Human Resource will monitor the staff MIB sign up, medical reimbursement, need for evacuation and will report to the Deputy Auditor General through Manager Corporate Services.

## 10 Monitoring & Implementation

To ensure effectiveness of this policy it will be reviewed after 3 years. Taking into account any challenges for this policy and any changes by the service provider.

## 11 Review

This policy will be reviewed in 2023.

## 12 Termination

The MIB will cease upon termination of staff contract or resignation by employee.

## 13 Who to Contact About this Policy

Any queries is directed to the Deputy Auditor General

## 14 Approval

The Medical Insurance Benefit Policy becomes effective on the date approved by the Executive Management Committee.

## 15 Revision/Change Log

Version 2.0	
Policy endorsed by:	Executive Management Committee
Policy approved by:	Auditor-General
Policy effective from:	28 May 2020
Policy to be reviewed by:	27 May 2023
Manager responsible for policy:	Manager Corporate Services

Version 1.0	
Policy endorsed by:	Executive Management Committee
Policy approved by:	Auditor-General
Policy effective from:	1 August 2017
Policy to be reviewed by:	1 August 2018
Manager responsible for policy:	Manager Corporate Services